

# KNOWLEDGE CENTRE

## Responsiveness of Bids

**RB:5**

### Relevant Facts or Questions Asked

A Procuring Entity (PE) sought guidance as follows:

- I. The PE initiated procurement proceedings for *“Name: Procurement of Computer Peripherals”*, where two (2) bids were received;
- II. Subsequently, during the evaluation stage of the procurement process, *“a discrepancy was identified in the price schedule submitted by one bidder...it was noted that the GCT amount did not reconcile with our figures”*;
- III. Hence, clarification was sought from the bidder. The PE notes that the bidder responded as follows: *“... The bidder responded advising that all items quoted should include GCT and indicated that an error occurred on the original price schedule, as two (2) items were omitted from the GCT calculation...”*
- IV. The PE further notes, *“An updated quotation was subsequently submitted to correct this error. The revised quotation reflects an increase from the original bid submitted via GOJEP; however, the updated amount remains within the Department’s internal estimate.*  
  
*Additionally, while the second bid received was priced lower, the bidder did not meet the required specifications for some of the items quoted and therefore did not satisfy the evaluation criteria”*
- V. Guidance is thus required concerning whether:

1. The PE should request the updated price schedule and quotation from bidder regarding the discrepancy with the bid amount, or;
2. Consider the bid as non-responsive and disqualify the bidder.

### Advice

1. The PE's attention is first directed to this Ministry's previous guidance on the responsiveness of bids, which can be found on our website under the "*Knowledge Centre*" tab using the keyword "*responsiveness*", checking the box titled "*Procurement Policy Implementation*", and selecting enter.
2. This Ministry notes that the bidder's clarification confirms that the original price schedule omitted GCT on two items, and the correction resulted in a higher total bid price than the amount submitted in their bid.
3. In this instance, this Ministry is of the opinion that the omission of GCT in these circumstances may reasonably be regarded as a minor omission, rather than a material defect. GCT is a mandatory statutory charge imposed by law, and its application does not arise from bidder's discretion. Moreover, the bidder's unit prices, quantities, scope, and technical offer remain unchanged, and the correction merely reflects the proper application of the statutory tax rate to the prices already submitted.
4. Additionally, the correction does not confer a competitive advantage on the bidder. The revised total price is **higher**, not lower, than the originally submitted amount, and therefore does not improve the bidder's competitive standing relative to other bidders. As such, the principles of fairness, transparency, and equal treatment are not undermined.
5. Also, the fact that the second bidder failed to meet the required specifications does not of itself justify relaxing responsiveness requirements; however, where a defect is properly classified as minor and correctable, the procuring entity is not precluded from allowing clarification in order to give effect to a compliant procurement outcome.

## Conclusion/Recommendation

6. Having regard to the mandatory nature of GCT and the absence of any change to the bidder's underlying commercial offer, this Ministry advises as follows:

- The PE may accept the bidder's clarification confirming the application of GCT to all items.
- The omission may be treated as a minor and correctable defect, provided that:
  - i. no unit prices or scope are altered; and
  - ii. the correction is strictly limited to the application of the statutory GCT rate.
- The evaluation process may therefore continue on the basis of the corrected computation, subject to full documentation of the rationale on the procurement record.

-End-

